

DOGM  
MINERALS PROGRAM  
FILE COPY

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

RECEIVED  
OCT 25 1990

DIVISION OF  
OIL, GAS & MINING

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)  
(Mineral Mined)

M/045/005.

Limestone

"MINE LOCATION":

(Name of Mine)  
(Description)

Little Mountain Mine

Tooele County, Utah

See mine locaiton map

"DISTURBED AREA":

(Disturbed Acres)  
(Legal Description)

20.4 Acres

T25, R6W, Sec. 20

"OPERATOR":

(Company or Name)  
(Address)

Utah Portland Quarries, Inc.

629 West 7 South

Salt Lake City, Utah 84110

(Phone)

(801) 328-4891

"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

See attached Corporate Data Sheet

(Phone)

"OPERATOR'S OFFICER(S)":

(801) 328-4891

See attached Corporate Data Sheet

"SURETY":

(Form of Surety - Exhibit B)

SEE BOND ATTACHED

"SURETY COMPANY":

(Name, Policy or Acct. No.)

National Union Fire Insurance  
Company of Pittsburgh, Pa.

"SURETY AMOUNT":

(Escalated Dollars)

Fifty Six Thousand Two Hundred  
and no/100ths ----- (\$56,200.00)

"ESCALATION YEAR":

1995

"STATE":

Utah

"DIVISION":

Oil, Gas and Mining

"BOARD":

Oil, Gas and Mining

EXHIBITS:

Revision Dates:

A "DISTURBED AREA":

B "SURETY":

10/16/90

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Operator and the Board.

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/045/005 which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim the Disturbed Area in accordance with Operator's approved Reclamation Plan and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.



Corporate Data Sheet

Corporate Name: Utah Portland Quarries, Inc.

Previous Names: Portland Cement Company of Utah

Date and State of Incorporation: Utah 6/24/58

States Qualified or Registered in: None

Directors

A. S. Decker  
G. E. Fuller  
E. S. Gallacher  
J. J. Martin  
W. M. Troutman

Officers

President:	E. S. Gallacher
Vice President:	A. S. Decker
Vice President and Secretary:	J. J. Martin
Treasurer and Assistant Secretary:	P. R. Griffin
Vice President:	W. J. Caso
Assistant Secretary and Assistant Treasurer:	J. S. Johnson
Assistant Secretary:	C. M. Kraus

Principal office: 629 West 7th South, Salt Lake City, Utah 84110

Subsidiaries: Parleys Trucking Company

Business: Production of Cement

Capitalization:

Shares Authorized: 1,000,000 Par Value: \$100.

Amount Issued: 3,789 Registered Owner: Lone Star  
Industries, Inc.

Number of Voting Shares: 3,789

Date of Annual Meeting: At such date and time as shall be fixed by the  
Board and specified in notice.

Registered Agent for Services of Process: CT Corporation System  
175 South Main Street, Salt Lake City, Utah 84111

Location of Minute Books: 1-3 Corporate Records  
4-5 Law Department

Location of Corporate Seal: Law Department

Location of Certificate of Incorporation: Minute Book #1

Location of Stock Register: Corporate Records

Date of Last Shareholder's Meeting: 11/15/89

Date of Last Director's Meeting: 11/15/89

Tax I. D. Number: 87-0165650

Revised 11/29/89

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board, which surety is in the form of the surety attached hereto as Exhibit B and made a part hereof. The surety shall remain in full force and effect according to its terms unless modified by the Board in writing. If the surety contract expressly provides for cancellation, then, not less than 30 days, prior to the expiration date of the surety, the Operator shall provide a replacement surety in a form and amount acceptable to the Board. If the Operator fails to so provide an acceptable replacement surety, the Division may order the Operator to cease further mining activities and to begin reclamation of the site. In addition, if the Operator fails to so provide an acceptable replacement surety, the Division may call or draw upon the full amount of existing surety prior to cancellation or expiration.
3. Operator agrees to pay public liability and property damage claims resulting from mining as determined by the Board or the Division, to the extent provided in the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, and the Reclamation Plan.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention and the Reclamation Plan.
6. Operator agrees to indemnify and hold harmless the State, Board and Division from any claim, demand, liability, cost charge, suit, or obligation of whatsoever nature arising from the failure to Operator or Operator's agents, and employees, or contractor to comply with this Contract.
7. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.



8. This Contract shall be governed and construed in accordance with the laws of the State.
9. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including attorneys fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
10. Any breach of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
12. This Contract represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_.

APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY \_\_\_\_\_  
Chairman, Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

By \_\_\_\_\_  
Dianne R. Nielson, Director

\_\_\_\_\_  
Date

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss:

On the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_, personally appeared before me, who being duly sworn did say that he/she, the said \_\_\_\_\_ is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledge to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.

\_\_\_\_\_  
Notary Public  
Residing at: \_\_\_\_\_


\_\_\_\_\_  
My Commission Expires:

OPERATOR:

Operator Name: Utah Portland Quarries, Inc.

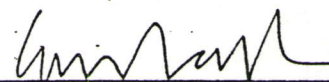
By W. J. Caso, Vice President  
Corporate Officer - Position

October 22, 1990  
Date

  
Signature

STATE OF CONNECTICUT )  
COUNTY OF FAIRFIELD ) ss:

On the 22nd day of October, 19 90, personally  
appeared before me William J. Caso who being  
by me duly sworn did say that he/she, the said William J. Caso  
is the Vice President of Utah Portland Quarries, Inc.  
and duly acknowledged that said instrument was signed on behalf of said company by  
authority of its bylaws or a resolution of its board of directors and said  
William J. Caso duly acknowledged to me that said  
company executed the same.

  
Notary Public  
Residing at: Old Greenwich

#58222  
My Commission Expires: 3-31-95



SURETY:

National Union Fire Insurance Company of Pittsburgh, Pa.  
Surety Company

By Richard Guarini, Attorney-in-fact  
Company Officer - Position

October 16, 1990  
Date

*Richard Guarini*  
Signature

STATE OF New York )  
COUNTY OF Nassau ) ss:

On the 16th day of October, 19 90, personally  
appeared before me Richard Guarini who being  
by me duly sworn did say that he/she, the said Richard Guarini  
is the Attorney-in-fact of National Union Fire Insurance  
Company of Pittsburgh, Pa.  
and duly acknowledged that said instrument was signed on behalf of said company by  
authority of its bylaws or a resolution of its board of directors and said  
Richard Guarini duly acknowledged to me that said  
company executed the same.

*Irene M. Kowalski*  
Notary Public  
Residing at: Manhasset, NY

10-10-91  
My Commission Expires:

IRENE M. KOWALSKI  
NOTARY PUBLIC, State of New York  
No. 4957222  
Qualified in Nassau County  
Commission Expires 10-10-91

NOTE: An affidavit of Qualification must be completed and attached to this form  
for each authorized agent or officer. Where one signs by virtue of Power of Attorney for  
a company, such Power of Attorney must be filed with this Contract.





# LONE STAR INDUSTRIES, INC.

M/045/021  
DOGM  
MINERALS PROGRAM  
FILE COPY  
M/045/005

October 22, 1990

300 First Stamford Place  
P.O. Box 120014  
Stamford, CT 06912-0014  
203-969-8600

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center Suite 350  
Salt Lake City, Utah 84180-1203

Re: Bond Number (replaces BND )  
Reclamation Contract  
\$34,400 Utah Reclamation Bond  
Permit Number M/045/021; Quarry Antone  
Utah Portland Quarries, Inc.

Bond Number ~~445068~~ (replaces BND  
Reclamation Contract  
\$56,200 Utah Reclamation Bond  
Permit Number M/045/005; Little Mountain  
Utah Portland Quarries, Inc.

Bond Number (replaces BND 335 66 87)  
\$11,015 Utah Reclamation Bond  
Permit Number 400-85  
Lone Star Industries, Inc.

RECEIVED  
OCT 25 1990

DIVISION OF  
OIL, GAS & MINING

Gentlemen:

Enclosed please find the originals of the captioned bonds. When the two bonds with accompanying Reclamation Contracts have been approved, please forward a completed copy to:

Mr. Ashby Decker  
Lone Star/Utah Portland Quarries, Inc.  
615 West 800 South  
Salt Lake City, Utah 84104

Also, when the enclosed bonds have met with your approval, please return to me the originals of the bonds they replace.

Thank you.

Sincerely,

*Carol A. Lang*

Carol A. Lang  
Corporate Insurance Administrator

Enclosures

cc: A. Decker



# LONE STAR INDUSTRIES, INC.

DOGM  
MINERALS PROGRAM  
FILE COPY

October 22, 1990

300 First Stamford Place  
P.O. Box 120014  
Stamford, CT 06912-0014  
203-969-8600

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center Suite 350  
Salt Lake City, Utah 84180-1203

Re: Bond Number (replaces BND  
Reclamation Contract  
\$34,400 Utah Reclamation Bond  
Permit Number M/045/021; Quarry Antone  
Utah Portland Quarries, Inc.

Bond Number (replaces BND  
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Utah Portland Quarries, Inc.

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OIL, GAS & MINING

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Mr. Ashby Decker  
Lone Star/Utah Portland Quarries, Inc.  
615 West 800 South  
Salt Lake City, Utah 84104

Also, when the enclosed bonds have met with your approval, please return to me the originals of the bonds they replace.

Thank you.

Sincerely,

*Carol A. Lang*

Carol A. Lang  
Corporate Insurance Administrator

Enclosures

cc: A. Decker



EXHIBIT B

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FILE COPY

MR FORM 5

September 1990  
(Noncoal)

THIS BOND CANCELS AND SUPERCEDES FIREM'N'S  
INSURANCE COMPANY OF NEWARK, N.J. BOND  
NO. BND2261030

Bond Number \_\_\_\_\_  
Permit Number M/045/005  
Mine Name Little Mountain

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

RECEIVED  
OCT 25 1990  
DIVISION OF  
OIL, GAS & MINING

THE MINED LAND RECLAMATION ACT

SURETY BOND

\*\*\*\*\*

The undersigned UTAH PORTLAND QUARRIES, INC.  
as Principal, and NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.  
as Surety, hereby jointly and severally bind ourselves, our heirs, administrators,  
executors, successors, and assigns, jointly and severally, unto the State of Utah, Division  
of Oil, Gas and Mining (Division) in the penal sum of FIFTY SIX THOUSAND TWO HUNDRED  
dollars (\$ 56,200.00-----).

Principal has estimated in the Mining and Reclamation Plan approved by the  
Division on the 30th day of August, 19 85, that twenty-two (22)  
acres of land will be disturbed by mining operation in the State of Utah.

The lands to be disturbed are described as follows:

Refer to Exhibit A attached hereto and made a part hereof.

The condition of this obligation is that if the Division determines that Principal  
has satisfactorily reclaimed the disturbed lands in accordance with the approved Mining  
and Reclamation Plan and has faithfully performed all requirements of the Mined Land  
Reclamation Act, and complied with the Rules and Regulations adopted in accordance  
therewith, then this obligation shall be void; otherwise it shall remain in full force and  
effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of  
the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act  
and regulations, then Principal may apply for a reduction in the amount of this Surety  
Bond.



In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal to be performed prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Dated this \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

State of Utah  
Board of Oil, Gas and Mining

\_\_\_\_\_  
Gregory P. Williams, Chairman

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Date October 22, 1990

Utah Portland Quarries, Inc.  
Principal (Permittee)

By (Name typed): William J. Caso

Title: Vice President

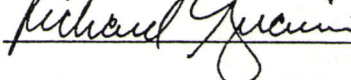
Signature: 

Date October 16, 1990

National Union Fire Insurance  
Company of Pittsburgh, Pa.  
Surety

By (Name typed): Richard Guarini

Title: Attorney-in-fact

Signature: 

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Assistant Attorney General

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

## AFFIDAVIT OF QUALIFICATION

Richard Guarini, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) Attorney-in-fact of said Surety, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking and obligations.

Signed: Richard Guarini  
Surety Officer

Title: Attorney-in-fact

Subscribed and sworn to before me this 16th day of October, 1990

Irene M. Kowalski  
Notary Public

My Commission Expires:

10-10, 1991

IRENE M. KOWALSKI  
NOTARY PUBLIC, State of New York  
No. 4357222  
Qualified in Tarrant County  
Commission Expires



# INDIVIDUAL VERIFICATION

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ } ss.:

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 19\_\_\_\_,  
before me personally came \_\_\_\_\_  
to me known and known to me to be the person described in and who executed the foregoing  
instrument, and acknowledged to me that he executed the same.

## PARTNERSHIP VERIFICATION

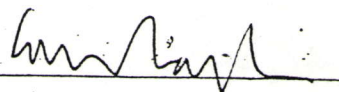
STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ } ss.:

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 19\_\_\_\_,  
before me personally came \_\_\_\_\_, a member of the  
copartnership of \_\_\_\_\_, to me known and known to me  
to be the person described in and who executed the foregoing instrument, and acknowledged to me  
that he executed the same as and for the act and deed of the said copartnership.

## CORPORATE VERIFICATION

STATE OF CONNECTICUT  
COUNTY OF FAIRFIELD } ss.:

On this 22nd day of October, in the year 1990,  
before me personally came William J. Caso  
to me known, who, being by me duly sworn, did depose and say that he resides in  
Bethel, CT; that he is the Vice President  
of the Utah Portland Quarries, Inc.  
the corporation described in and which executed the foregoing instrument; that he knows the cor-  
porate seal of the said corporation; that the seal affixed to the said instrument is such corporate  
seal; and that it was so affixed by order of the Board of Directors of the said corporation, and that  
he signed his name thereto by like order.

  
#58222  
Expires 3-31-95

(For convenience of Principal in connection with attached bond.)

No. \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS:

That American Home Assurance Company, a New York corporation, and National Union Fire Insurance Company of Pittsburgh, Pa., a Pennsylvania corporation, does each hereby appoint

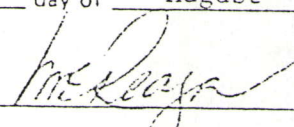
---Evangelina L. Dominick, Richard Guarini, John H. Treiber, Howard F. Treiber,  
H. Craig Treiber: of Garden City, New York---

its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa. have each executed these presents

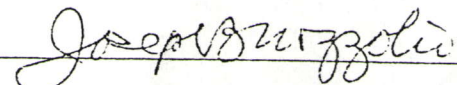


this 8 day of August, 1990.

  
Mark E. Reagan, Senior Vice President

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.

On this 8 day of August, 1990,  
before me came the above named officer of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa., to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seals of said corporations thereto by authority of his office.



JOSEPH B. NOZZOLIO  
Notary Public, State of New York  
No. 01-NO4652754  
Qualified in Westchester County  
Term Expires Jan. 31, 1993

CERTIFICATE

Excerpts of Resolutions adopted by the Boards of Directors of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa. on May 18, 1976:

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its surety business;

"RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance or other contract of indemnity or writing obligatory in the nature thereof;

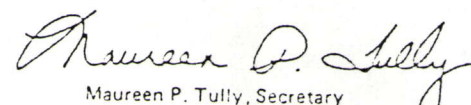
"RESOLVED, that any such Attorney-in-Fact delivering a secretarial certification that the foregoing resolutions still be in effect may insert in such certification the date thereof, said date to be not later than the date of delivery thereof by such Attorney-in-Fact."

I, Maureen P. Tully, Secretary of American Home Assurance Company and of National Union Fire Insurance Company of Pittsburgh, Pa. do hereby certify that the foregoing excerpts of Resolutions adopted by the Boards of Directors of these corporations, and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolutions and the Powers of Attorney are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of each corporation



this 16 day of October, 1990.

  
Maureen P. Tully, Secretary

## SURETY ESTIMATE UPDATE

Utah Portland Quarries

Little Mountain M/045/005 & Quarry Antone M/045/021

Tooele County, Utah

August 29, 1990

Prepared by Utah Division of Oil, Gas & Mining

### Description

Little Mountain \$47,526 (1986)

Quarry Antone \$29,700 (1987)

<u>Calculations</u>	<u>YR</u>	<u>% ESCAL</u>	<u>LITTLE MTN</u>	<u>QUARRY ANTONE</u>
F = P(1 + i) ** n	1986	0.0290	\$47,526	
	1987	0.0210	\$48,524	\$29,700
	1988	0.0195	\$49,470	\$30,279
	1989	0.0181	\$50,366	\$30,827
Three Yr Average = 1.84%	1990	0.0184	\$51,292	\$31,394
Used to Project 5 Yrs	1991	0.0184	\$52,236	\$31,972
Into the Future	1992	0.0184	\$53,197	\$32,560
	1993	0.0184	\$54,176	\$33,159
	1994	0.0184	\$55,173	\$33,770
	1995	0.0184	\$56,188	\$34,391

### Updated Surety Amount Rounded (1995 \$)

Little Mountain M/045/005

\$56,200

Quarry Antone M/045/021

\$34,400